BRITISH COLUMBIA

BC STATS Infoline

tel (250) 387-0327
fax (250) 387-0329

All issues since 97-01 are on our website:
http://www.bcstats.gov.bc.ca

Issue: 99-23 5 Pages
June 11, 1999

highlights

a weekly digest of recently released British Columbia statistics

The Economy

- **The value of building permits issued by BC municipalities declined 1.9% (seasonally adjusted) between March and April.** Permits for residential housing were down 6.6%, but this was partly offset by a 3.6% increase in non-residential permits. Canadian permits fell 8.0%, as the value of planned construction decreased in the country's four largest provinces.

Source: Statistics Canada

Housing

- **The cost of new housing continued to decline in April, as the New Housing Price Index (NHPI) for Victoria fell to 5.1% below the April 1998 level, while Vancouver's index dropped 4.2%.** The west coast, Sudbury (-0.6%), St John's (-0.2%) and Saint John/Moncton/Fredricton (-0.2%) were the only places where new house prices fell. Nationally, the index rose 0.7%, led by continued upward pressure on house prices in Calgary (+5.5%).

Source: Statistics Canada

- **Housing starts in British Columbia recovered in May, rising 8.7% (seasonally adjusted) after plunging 28.9% in the previous month.** BC, Ontario (+6.4%) and parts of Atlantic Canada were the only regions where housing starts rose in May. All three Prairie provinces saw housing starts fall more than 10%. Nationally, they were down 1.2%.

Source: Canada Mortgage & Housing Corporation

- **MLS sales of existing homes in British Columbia dropped 1.3% (seasonally adjusted) in April, after rising 13.2% in the previous month.** April's decline was the first since January. The number of residences sold nationally rose 1.6%. *Source: Canadian Real Estate Association data*

Capacity Utilization

- **Capacity utilization by Canadian industries increased to 83.1% in the first quarter.** Manufacturers, who benefited from a vigorous US economy and strong export demand, were the main contributors to the growth. They operated at 85.7% of full capacity in the first quarter, up a full percentage point from the end of 1998. Utilization rates also rose in the construction (83.2%) industry, where they were boosted by increased residential construction activity, and in utilities (82.4%). Increased mining services and diamond production pulled up capacity use in the mining and quarrying (77.2%) industry, while producers of petroleum and gas products cut back production (69.9%). Overall, capacity use dropped to 72.4% in the mining sector.

  La Nina caused havoc in the forest sector, as record snowfalls in BC hampered logging activity in the first quarter. Sawmill shutdowns also reduced the demand for raw materials. As a result, capacity use in the forest industry declined for the first time since last fall, falling to 84.4%.

Source: SC, The Daily

Bus Usage

- **During 1997, more than 13.9 million passengers travelled by bus between cities in Canada.** Although bus travel was up 13.6% from 1995, the number of passengers choosing this mode of transportation was still less than half that in 1981 (30 million). Charter bus services, which are claiming a growing share of the market, were responsible for most of the increase. In 1995, they carried just 7% of intercity bus passengers; by 1997, their share had increased to 18%. Almost a quarter of the revenues of intercity bus companies operating scheduled services

Report **BC Youth and the Minimum Wage**

Did you know...

Young wives are at the greatest risk of spousal homicide, with 29 in every 1,000,000 wives aged 25 or under killed by their husbands. Among young men (where the risk is second-highest), the rate is 13.

comes from their parcel express services.

Source: SC, The Daily

Courier Services

- **In 1997, there were 11,417 establishments in Canada offering courier and local messenger services.** These establishments earned an estimated $3.8 billion. About 40% of the establishments–and 50% of revenues–were in Ontario. Revenues for courier operations in BC reached $422 million in 1997. The 703 Canadian carriers who have annual revenues of at least $150,000 made about 260 million deliveries.

Source: SC, The Daily

Taxi and Limousine Services

- **Taxi and limousine services in BC earned revenues of $139 million in 1997, accounting for 16% of the national total ($873 million).** BC has just 13% of the Canadian population, suggesting that taxi use is more prevalent here than in other parts of the country, possibly due to the large numbers of tourists who visit the province. *Source: Statistics Canada & BC STATS*

Organized Crime

- **According to police, the most prevalent characteristic of criminal organizations in Canada is the pursuit of profit and/or power, with 96% of police respondents to a Statistics Canada survey identifying this as a common activity.** Other common activities included the use of violence (93%) and serious criminal offences (92%). Half of organized crime groups were believed to exert influence in politics, the media, public administration, judicial authorities and the economy. Crimes most frequently committed by members of these groups include drug trafficking (88%), extortion (71%), traffic in illegal firearms (71%), prostitution (63%) and vehicle theft (60%). *Source: SC, Catalogue 85-548*
- **More than a third (24 of 64) of the organizations identified by police were outlaw motorcycle gangs, which were mainly involved in cocaine trafficking.** Other criminal organizations identified include 13 Asian gangs (which dominate the Canadian heroin trade), 10 Italian-based crime groups (where illegal gambling is a major activity), 9 which were Aboriginal-based, and 8 which had Eastern European connections. *Source: SC, Catalogue 85-548*

Widows Who Live Alone

- **Just over half (53%) of elderly (65 and over) widows living alone in 1995 still occupied the home they had shared with their husband.** Most (92%) of these women had been widowed for more than three years. They were usually well-established in their neighbourhood. Homeowners living in the family home had resided there for an average of 29 years; those living in rented housing had been there for about 12 years. Elderly widows living alone appear to have a stronger social support network than is generally believed. Half of them had a strong attachment to four or more friends, and three-quarters said they felt closest emotionally to a neighbour. *Source: SC, The Daily*

Shelters for Abused Women

- **During 1997/98, there were 16,704 admissions to transition homes or other shelters for abused women in the province.** Of this total, 9,158 were women who brought 7,546 children with them. Nationwide, there were 90,792 admissions (47,962 women and 42,830 children) in 1997/98. Although BC makes up just 13% of the Canadian population, one in five admissions to Canadian emergency shelters occurred in this province, second only to Ontario (28,712). A fifth (93) of the 470 shelters operating in Canada are located in this province.

Source: SC, Catalogue 85-002-XIE, Vol 19, no 6

The Nation

- **Canada's economy grew 1.0% (seasonally adjusted) in the first quarter, continuing a streak of uninterrupted growth that began in mid-1995.** Quarterly growth at the end of 1998 was 1.2%. Business investment (particularly in the residential sector, where spending was up 3.9% after showing weakness during most of last year) and exports (+2.1%) grew the most, while consumer spending (+1.3%) regained momentum after two weak quarters.

Source: Statistics Canada

highlights, Issue 99-23
June 11, 1999

For data originating from Statistics Canada: data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the publication name or catalogue number.

June 11, 1999

Infoline Report:

BC Youth and the Minimum Wage

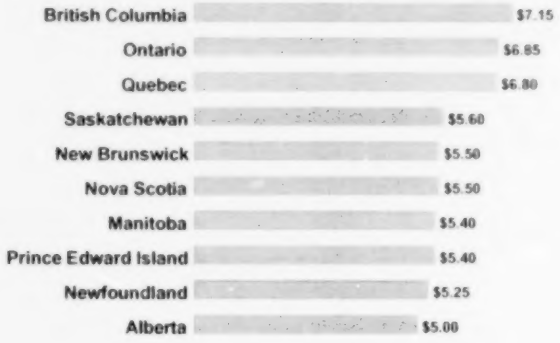
Contact: Anne Kittredge / (250) 387-0374

Originally published in February 1999 issue of *Earnings & Employment Trends*. Annual subscription: $60 + GST

BC Youth and the Minimum Wage

British Columbia's minimum wage is currently $7.15 per hour, the highest minimum wage in Canada.

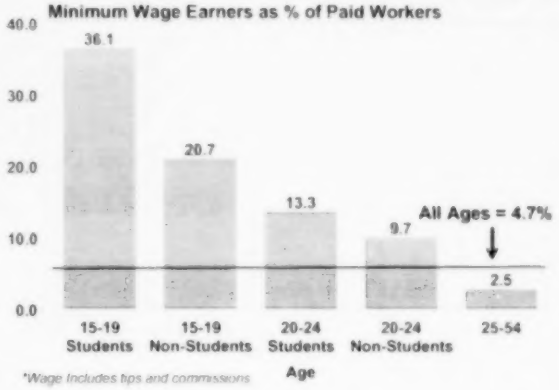
1998 Minimum Wage Levels in Canada



The minimum wage level in BC directly affects about 4.7 per cent of the paid workforce. The young, particularly full-time students, are most affected by minimum wage policy – one in four full-time students age 15-24 earn minimum wage.

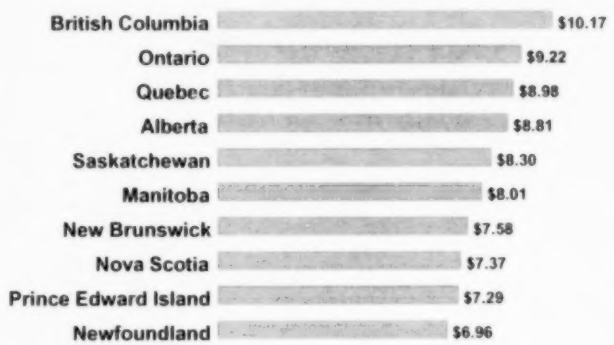
In addition, there are also workers indirectly affected by the minimum wage level as some employers choose to maintain the differential between the minimum wage and what they pay their staff. Thus, an increase in the minimum wage level often results in an increase in the wages of other low wage earners[1].

BC Young, Particularly Students, Are the Ones Most Affected by the Level of the Minimum Wage*



Economic theory tells us that the minimum wage level could have a two-fold impact on low wage earners. On the positive side, a high minimum wage increases income levels for low wage earners. On the negative side, a high minimum wage may increase the unemployment rate if low wage employers hire fewer staff than they would if the minimum wage were lower.

BC's Youth* Earn the Highest Wages in Canada -- 1997/98 Average Hourly Wage



**Those under 25 Years of Age*

BC's youth appear to benefit from the high minimum wage level in the province. The difference in wage levels of the young across

[1] *In a study carried out on 1990 data, a further 11 per cent of 15-24 year olds earned less than $.50 per hour above minimum wage.*

BC STATS, Min. of Finance & Corporate Relations, Box 9410 Stn Prov Govt, Victoria, BC V8W 9V1
Tel: (250) 387-0327 Fax: (250) 387-0329 Web: http://www.bcstats.gov.bc.ca E-mail: BC.Stats@gems8.gov.bc.ca

Canada is highly correlated with the difference in provincial minimum wage levels (see chart on previous page)[2]. While it is true that BC's adult wage level is also the highest in Canada, the earning power of BC youth still remains at the top, with the exception of PEI, when standardized by the adult wage rate. In 1998 BC's youth earned 55 per cent of the adult rate compared to 53 per cent for Alberta youth and 52 per cent for Ontario youth.

A relatively high minimum wage has a potential downside for youth. For example, employers may cut-back on minimum wage staff increasing the unemployment rate of youth. Also a high minimum wage may encourage older experienced workers to enter the workforce, causing increased competition for minimum wage jobs. This could result in new entrants of young workers to the labour force facing greater difficulty finding work.

There is no indication that the high minimum wage provinces have higher youth unemployment. BC's 1998 youth unemployment rate of 17 per cent is above the Canadian average but compared to its adult unemployment rate, BC youth are relatively better off than Alberta and Ontario.

This holds true for youth overall, but there are indications that 15-19 year old students in BC do face problems finding work. As shown in the chart on the previous page, 15-19 year old students are the group in BC whose earnings would benefit most from a high minimum wage. However, that benefit would be only for those who were able to find work. In 1998, BC students age 15-19 had one of the highest unemployment rates (23%) in the country, second only to Newfoundland.

Deepen your knowledge of the economy and society you work and compete in.

Subscribe to the periodical section of our Internet site to access *Earnings and Employment Trends* and ten other monthly and quarterly releases. The price for complete access over the course of a year is only $100. If you prefer, we also offer paper-based subscriptions at prices that reflect our increased costs, delivered by regular mail. Reproduced here is just the cover article from the February issue of *Earnings and Employment Trends*. To see a sample of a complete issue, or samples of our other periodicals, use the "Sneak Preview" button on our home page.

Different periodicals feature highlights, articles, charts, data tables and definitions. Get the whole story. Subscribe today.

For more information, contact:

Kris Ovens

Tel: (250) 387-0359
FAX: (250) 387-0380

or

Kris.Ovens@gems7.gov.bc.ca

[2] *The only real exception to this is Alberta which has the lowest minimum wage and yet youth in that province earn the fourth highest hourly wage rate in the country.*

Infoline

June 11, 1999

fax transmission information service from **BC STATS**

also on the Internet at http://www.bcstats.gov.bc.ca

BC at a glance . . .

POPULATION (thousands)	Jan 1/99	% change on one year ago
BC	4,021.4	0.7
Canada	30,418.1	0.9
GDP and INCOME		
(BC - at market prices)	1997	% change on one year ago
Gross Domestic Product (GDP) *($ millions)*	109,347	3.3
GDP *($ 1992 millions)*	98,201	2.2
GDP *($ 1992 per Capita)*	24,775	0.1
Personal Disposable Income *($ 1992 per Capita)*	16,340	-2.3
TRADE ($ millions)		
Manufacturing Shipments (seas. adj.) Mar	2,999	6.4
Merchandise Exports (raw) Mar	2,349	10.6
Retail Sales (seasonally adjusted) Mar	2,748	0.6
CONSUMER PRICE INDEX		
(all items - 1992=100)	Apr '99	% change on one year ago
BC	111.0	1.1
Canada	110.1	1.7
LABOUR FORCE (thousands)		
(seasonally adjusted)	May '99	% change on one year ago
Labour Force - BC	2,062	0.7
Employed - BC	1,889	1.9
Unemployed - BC	174	-10.9
		May '98
Unemployment Rate - BC *(percent)*	8.4	9.5
Unemployment Rate - Canada *(percent)*	8.1	8.4
INTEREST RATES (percent)	June 9/99	June 10/98
Prime Business Rate	6.25	6.50
Conventional Mortgages - 1 year	6.60	6.55
- 5 year	7.40	6.95
US/CANADA EXCHANGE RATE	June 9/99	June 10/98
(avg. noon spot rate) Cdn $	1.4722	1.4666
US $ *(reciprocal of the closing rate)*	0.6789	0.6820
AVERAGE WEEKLY EARNINGS		
(industrial aggregate - dollars)	Mar '99	% change on one year ago
BC	619.13	1.1
Canada	605.14	-0.1

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Earnings } Statistics Canada

Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

For latest Weekly Financial Statistics see www.bank-banque-canada.ca/english/wfsgen.htm

High Technology

BC STATS releases the 1999 edition of the ***Profile of the High Technology Sector*** on Monday. This report provides an overview of trends in the GDP, employment, wages, revenues, exports and imports, during the last ten years.

This is the fourth publication of this annual report, which uses a standard industry definition to track growth consistently over time. The report covers manufacturers of aircraft and parts, computers, communication equipment, electrical industrial equipment, chemicals, and other high technology products, as well as service providers in the fields of computer services, engineering, medical laboratories, and other scientific and technical services.

The High Technology Sector is recognized as one of the fastest growing elements of the BC economy, and accounts for sizeable share of net job creation.

Look for the latest report on the BC STATS web site, at:

www.bcstats.gov.bc.ca/bus_stat/hi-tech.htm

Released this week by BC STATS

- Labour Force Statistics, May 1999
- Earnings & Employment Trends, March 1999
- Immigration Highlights, First Quarter 1999

Next week

- Consumer Price Index, May 1999

BC STATS, Min. of Finance & Corporate Relations, Box 9410 Stn Prov Govt, Victoria, B.C. V8W 9V1
Tel: (250) 387-0327 Fax: (250) 387-0329 Web: http://www.bcstats.gov.bc.ca E-mail: BC.Stats@gems8.gov.bc.ca